



Catherine Gallegos
District Superintendent

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July 24, 2001

Roy D. Lorenz, Foreman
2001 Monterey County Grand Jury
P.O. Box 414
Salinas, CA 93902

Board of Trustees
Karen Boothroyd
Hetty Eddy
Kent Fowler
Thomas Hovde
Joe I. Mitchell

Dear Mr. Lorenz,

**RE: RESPONSE TO THE MONTEREY COUNTY GRAND JURY REQUEST
FOR REPLY TO FINDINGS IN THE 2001 GRAND JURY REPORT**

San Benancio Middle School
484-1172

Washington Union School
484-1331

Toro Park School
484-9691

The purpose of this letter is to respond to the letter requesting our district to supply you with a response to the Findings portion of the 2001 Grand Jury Report.

Finding #1:

Sixteen of the 19 responding school districts and one community college responding to the Grand Jury's survey spend lottery funds on employee salaries.

District's Response:

As stated in the district's letter of March 28, 2000, the district uses a portion of its lottery funds on employee salaries.

Finding #2:

At the time of the Grand Jury's survey, there was no evidence that any lottery education revenues were being spent for prohibited purposes in Monterey County.

District's Response:

It is correct that the Washington Union School District does not use any lottery education revenues for prohibited purposes.

Finding #3:

Four of the 19 responding school districts place lottery moneys in their general funds without further tracking. This does not comply with the California Government Code, Section 8880.5. In addition, these school districts will be unable to verify compliance with the Cardenas Textbook Act of 2000.

District Response:

Washington Union School District tracks its lottery moneys through a special fund, Sub Fund 20.

Finding #4:

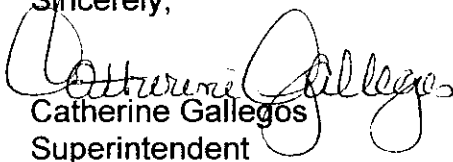
Fifteen of the 19 responding school districts, both community colleges, and the County Superintendent do have special tracking accounts. However, for many of the reporting districts, these designated accounts do not contain sufficient detail to verify compliance with the Cardenas Textbook Act of 2000.

District Response:

The Washington Union School District uses accounting procedures that track the expenditures pursuant to the Cardenas Textbook Act. The district records and reports these expenditures each year to stay in compliance with the law.

I trust that this response satisfies the Grand Jury's requirements. If you need further information, you may contact me at 484 2166.

Sincerely,


Catherine Gallegos
Superintendent

cc: Marilyn A. Maxner, Edit and Response Committee
Bill Barr, County Superintendent
Board of Trustees, Washington Union School District